



THOMAS L. GARTHWAITE, M.D.
Director and Chief Medical Officer

FRED LEAF
Chief Operating Officer

COUNTY OF LOS ANGELES
DEPARTMENT OF HEALTH SERVICES
313 N. Figueroa, Los Angeles, CA 90012
(213) 240-8101

BOARD OF SUPERVISORS

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May 22, 2003

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**AUTHORIZE THE ACQUISITION OF EQUIPMENT AND RELATED ACTIONS FOR
THE RADIOGRAPHIC ROOM REPLACEMENT PROJECT FOR THE HARBOR-UCLA
MEDICAL CENTER AND APPROVE AN APPROPRIATION ADJUSTMENT**

(C.P. No. 86600) (Second District) (3 Votes)

**JOINT RECOMMENDATIONS WITH THE CHIEF ADMINISTRATIVE OFFICER THAT
YOUR BOARD:**

1. Find these actions exempt from the California Environmental Quality Act (CEQA).
2. Establish Capital Project No. 86600 for the Harbor-UCLA Medical Center Radiographic Room Replacement Project and authorize the Department of Health Services' to implement the project.
3. Approve the Department of Health Services' request and authorize the Purchasing Agent to proceed with the acquisition of an integrated C-Arm Table and Digital Radiographic/Fluoroscopic (R/F) System at an estimated cost of \$623,382 for Harbor-UCLA Medical Center.
4. Approve the attached appropriation adjustment that transfers \$159,000 in appropriation to the Radiographic Room Replacement Project (C.P. No. 86600) from Harbor-UCLA Medical Center's operating budget to fund construction costs to support the installation of the new radiographic equipment.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS:

In approving these actions, the Board is authorizing the purchase of this major fixed asset equipment for Harbor-UCLA Medical Center. This request is to comply with the County Equipment Policy that the Board approved on October 16, 2001, that requires Board approval prior to department's purchasing/financing equipment with a unit cost of \$250,000 or greater. The recommended actions will also establish a new capital project and approve funding in the 2002-03 Capital Project Budget to provide room modifications to allow for the installation of the new equipment.

Harbor-UCLA Medical Center needs to replace equipment that is approximately 30 years old, which is two to three times the normal life cycle for such equipment. Due to its age and constant use over the years, the existing equipment frequently breaks down and is inoperable close to 50% of the time. The current equipment is at the end of its product life and the original manufacturer will no longer provides repairs support or parts beginning in July 2003. There currently are no other service providers under contract with the facility to support the existing equipment.

The purchase orders prepared and bid by the Internal Services Department, include the equipment purchase and installation and specifications for the room modification to accommodate the equipment. The total bid amount for the new equipment is \$623,382 including tax. The room modification was bid at \$159,000. The apparent low bidder for both purchase orders is Toshiba Medical Systems, Inc. (Toshiba) who will complete the refurbishment work and supply the equipment.

The radiology room that requires refurbishment is currently being used as a radiology medical supplies room. The proposed modification will include, but not be limited to, meeting mechanical, electrical, structural and HVAC requirements. In addition, the floor plan and overhead suspension systems will be reconfigured to accommodate the new equipment and an existing bathroom will be retrofitted to be ADA compliant. The proposed project also will meet OSHPD requirements. The estimated completion date will be 6-9 months after Board approval.

Implementation of Strategic Plan Goals

These actions meet the County's Strategic Plan Goal of Service Excellence by promoting best practice for patient care and the Goal of Fiscal Responsibility by investing in public infrastructure. The replacement allows for interfacing with modern technology and to be more efficient and versatile and will result in more rapid patient throughput.

Consistency with DHS System Redesign

These actions meet the Department's strategic goals by improving the health care provided by DHS and enhancing the health of the residents of Los Angeles County.

FISCAL IMPACT/FINANCING:

The purchase order amount for the equipment and installation is \$623,382. Based on the equipment price, which includes tax; annual lease payments are estimated to cost \$156,000, which covers a 5 year repayment term, an annual interest rate of 7.5%, and an addition 2% for insurance costs. We plan to use the Los Angeles County Capital Asset Leasing (LAC-CAL) funds already included in the Fiscal Year 2002-03 Harbor-UCLA Medical Center's Budget for the purchase and installation of this equipment. Funding is also included in the Proposed FY 2003-04 budget for annual lease payments.

The room modification is estimated to cost \$159,000. Approval of the attached Appropriation Adjustment will allow Harbor to transfer \$159,000 from its Operating Budget under Services and Supplies, to the Capital Project Budget under C.P. No. 86600 to fund refurbishment costs. There will be no impact on the County's General Fund since this project does not expand patient services and/or programs.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

On October 16, 2001, the Board approved the classification categories for fixed assets and new requirements for major fixed asset acquisitions whereby the Departments will obtain Board

approval to purchase or finance equipment with a unit cost of \$250,000 or greater prior to submitting their requisitions to Purchasing.

The purchase and installation of the integrated C-Arm Table and Digital R/F System will allow for interfacing with modern informatics. The equipment will provide a completely integrated diagnostic radiography room capable of performing both diagnostic and interventional radiographic procedures. The replacement equipment is more efficient and versatile and will result in more rapid patient throughput. With digital equipment, delays associated with traditional film processing are eliminated allowing for an increase in patient throughput by a factor of two to three times. The new equipment will allow for pediatric and adult procedures, including lumbar punctures, upper GIs, barium enemas, urethrograms and a full compliment of x-rays (chest, abdominal, spine, etc.).

The purchase of this equipment will improve the provision of services to patients.

In order for Harbor to properly place the new equipment, modification to the existing radiology room is required. However, room refurbishment is not allowable under LAC-CAL. Therefore, the Department is required to provide separate funding recommendations.

County Counsel and the Chief Administrative Office have approved this purchase.

ENVIRONMENTAL DOCUMENTATION:

This project is categorically exempt as specified in Appendix G, Class 1, and Subsection (d) of the County of Los Angeles Revised Environmental Document Reporting Procedures and Guidelines adopted by your Board on November 17, 1987. Under this categorical exemption, interior and exterior alternations of building involving such things as interior partitions, exteriors parapets, placement of walls veneer facings and installation of false or drop ceiling, plumbing and electrical conveyances and heating and refrigeration systems are exempt.

CONTRACTING PROCESS:

This is a commodity purchase under the statutory authority of the County Purchasing Agent. The purchase will be requisitioned through and accomplished by the Purchasing Agent in accordance with the policies and procedures established by the Internal Services Department. There were three bids and Toshiba was the lowest.

IMPACT ON CURRENT SERVICES (OR PROJECTS):

The purchase and installation of the integrated C-Arm Table and Digital R/F System will allow for interfacing with modern informatics. The equipment will provide a completely integrated diagnostic radiography room capable of performing both diagnostic and interventional radiographic procedures.

The current refurbishment project will not impact the scope of work for the current SB1953 seismic retrofit project now in progress.

The replacement equipment is more efficient and versatile and will result in more rapid patient throughput.

The Honorable Board of Supervisors
May 22, 2003
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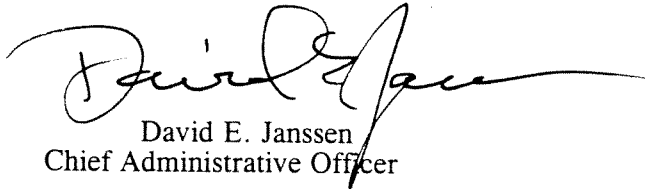
Upon approval by the Board of Supervisors, the Executive Officer, Board of Supervisors is requested to return adopted copies of this letter to:

1. Department of Health Services
313 N. Figueroa Street, 6th Floor East
Los Angeles, CA 90012
Attention: Contracts and Grants Division
2. Internal Services Department
Purchasing Division
1100 N. Eastern Avenue, Room 102
Los Angeles, California 90063
Attention: Joe Sandoval, Division Manager

Respectfully submitted,



Thomas L. Garthwaite, M.D.
Director and Chief Medical Officer



David E. Janssen
Chief Administrative Officer

TLG:pm

Attachments

- c: Chief Administrative Officer
County Counsel
Executive Officer, Board of Supervisors
Auditor-Controller

BLET/BLCDHUCLARAD.wpd

COUNTY OF LOS ANGELES
REQUEST FOR APPROPRIATION ADJUSTMENT

DEPT'S.
No

DEPARTMENT OF Health Services

May 16,

2003

AUDITOR-CONTROLLER.

THE FOLLOWING APPROPRIATION ADJUSTMENT IS DEEMED NECESSARY BY THIS DEPARTMENT. WILL YOU PLEASE REPORT AS TO ACCOUNTING AND AVAILABLE BALANCES AND FORWARD TO THE CHIEF ADMINISTRATIVE OFFICER FOR HIS RECOMMENDATION OR ACTION.

ADJUSTMENT REQUESTED AND REASONS THEREFOR

3-VOTE

SOURCES:

Coastal Area
Services and Supplies
MNL-HH-60020-2000 \$159,000

General Fund Operating Subsidy - Coastal Area
Operating Transfer Out
A01-AC-21226-6100 159,000

Total: \$318,000

USES:

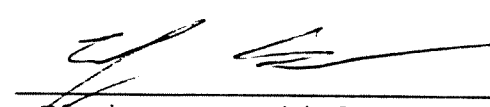
Coastal Area
Operating Subsidy
MNL-HH-60020-9912 \$159,000

Various Capital Projects/Refurbishments
Harbor-UCLA Medical Center
Rfurb-Radiographic Room Replacement Project
Buildings & Improvement
A01-~~AC~~^{AS}-86600-6014 159,000
Total: \$318,000

Justification:

This adjustment will reallocate existing appropriation from Harbor-UCLA Medical Center to the Capital Projects Budget in order to refurbish an existing radiographic room which will allow for the installation of newly purchased replacement radiology equipment. There is no impact on operating subsidy.

EM:lt
05/16/03


Efrain Munoz, Chief

DHS-Controller's Division

CHIEF ADMINISTRATIVE OFFICER'S REPORT

REFERRED TO THE CHIEF
ADMINISTRATIVE OFFICER FOR—

ACTION

RECOMMENDATION

APPROVED AS REQUESTED

AS REVISED

5/21/03

MAY 27, 2003

APPROVED (AS REVISED):
BOARD OF SUPERVISORS

19

AUDITOR-CONTROLLER

BY

Conner

No. ~~246~~ 245

MAY 16 2003

BY

DEPUTY COUNTY CLERK